

REQUEST FOR PROPOSAL: OPERATING A CRP-FUNDED LOGISTICS HUB IN WESTMINSTER (TRIAL)

December 2022

[Clean Air Logistics for London \(CALL\)](#)

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1. Background: CRP’s “Clean Air Logistics for London” Programme

[Cross River Partnership](#) (CRP) is a partnership organisation delivering environmental, economic, and community-focused projects. We support public, private, and voluntary organisations to creatively address challenges around Air Quality, Transport, Placemaking and Wellbeing.

CRP is working with Westminster City Council (WCC) to appoint an organisation to manage and operate from a CRP-funded logistics hub located in Pimlico, Westminster. This includes coordinating all inbound and outbound deliveries from/to the hub, consolidating parcels, and carrying out zero-emission last-mile deliveries in Westminster and beyond. The appointed organisation will also be the sole point of contact for all Westminster businesses that are sending/want to send their stock via the hub.

[Clean Air Logistics for London](#) (CALL) is a [Defra](#)-funded project led by [Westminster City Council](#) (WCC) in collaboration with 11 project partners. The project aims to move more freight into London via river rather than road, supported by zero emission delivery methods and urban logistics hubs in Central London.

The CALL project aims to expand light freight on the River Thames in London through the delivery of innovative trials and investment in appropriate infrastructure. This includes prioritising space for micro-logistics hubs. These are small, secure spaces that couriers and operators can use to receive, sort, and send deliveries in central locations, ideally by cargo bike or walking porters. CALL locations have been chosen to reflect GLA Air Quality Focus Areas and the importance of the River Thames for freight. The CALL project supports the delivery of Defra's Clean Air Strategy, Westminster City Council's Air Quality Action Plan (AQAP) and other partners' air quality objectives.

2. Micro-Logistics Hub Project & Specifications

2.1. Overview

CRP and WCC have funding available to support a 6-month micro-logistics hub and cargo bike/walking freight delivery project operating from [Q-Park Pimlico](#) in the City of Westminster. The funding will cover:

- Capital expenditure / set-up costs of retrofitting a space in [Q-Park Pimlico](#) to become a micro-logistics hub (estimated at £14,500). This includes planning application fees, electrical installation, and security fencing.
- Monthly rental of the space (estimated at £3,399 per month) for a 5-month period

The selected operator will be expected to cover the 6th month of rent for the trial period (£3,399) as well as monthly electricity costs. The cost of electricity is passed over directly from the Landlord plus an admin fee (estimated at around £273.75 per month; billed quarterly in arrears plus a £25 admin fee). These costs are based on electricity prices of £0.45/ kWh and on the assumption that the chosen operator will be charging 5 e-cargo bikes for 4 hours per day, every day. Electricity costs may vary depending on activity, specification of cargo bikes and equipment. The Landlord has recently reviewed the cost of electricity and the current rate is shown.

The rental price reflects the short rental period and prime real estate location.

Following the 6-month trial, there may be opportunity for the successful provider to acquire the space and continue operations independently. At the end of the initial period rates will be reviewed and offered subject to terms.

All prices are excl. VAT.

2.2. Hub Location & Specifications

The logistics hub will be located at Infinium Logistics' Hyperlocal space within [Q-Park Pimlico](#) (Cumberland St, Pimlico, London SW1V 4LR). The hub will likely operate to the below specifications:

- The hub is in a well-managed underground car park with 24/7 access, security patrols, CCTV, 4G WiFi signal (subject to signal test by the operator), and toilet facilities.
 - Besides CCTV and security patrols, the enclosed hub will have secure fencing and locks to ensure equipment is stored safely. We do not recommend parcels are left in the hub overnight. Valuable items left overnight should be kept in a secure locker inside the hub.
- It is located on entry level / level 0 of the indoor car park and has a surface area of around 750 sq ft (5-6 car parking bays)
- The hub will be able to support the supply of non-perishable and non-consumable items. Food, drink or perishable goods, including fruit, vegetables, meat, cheese are not to be stored at the hub (see Appendix A).
- The hub is supplied with power (5 standard 240V 13Amp single phase weatherproof double sockets) to charge, for example, e-cargo bikes, e-cargo bike batteries, IT equipment (e.g. laptops and tablets needed to run the project), etc.
- There is a 2m height restriction inside the car park.
- Bike lanes are 1.10m wide, meaning cargo bikes have unrestricted access (no need for barrier cards for these)
- All activity must remain within the demise unless expressly agreed with Infinium and Q-Park
- All activity, including unloading, must take place within the enclosed hub area. Generally, there is a 15-minute grace period for quick drop offs subject to permission from the Landlord. Short-term loading is possible outside the car park (at the front of the site) with goods brought inside for sortation.
- CRP may consider the possibility of installing Vivacity traffic monitoring sensors near Q-Park Pimlico's entrance (outside) in order to analyse movement to/from the car park as well as local air quality impacts.
 - *The Vivacity system was developed using data protection-by-design principles and is fully compliant with GDPR. The sensors do not collect personal data, and none of Vivacity's clients can use their technologies to gather any kind of personal data or for enforcement purposes. The sensors do not record or stream video footage. Under normal operation, the system processes all video locally, produces anonymous data feeds and discards the video within milliseconds. As such the system produces no personal data and therefore presents no privacy or personal data risk. Read more about Vivacity's data privacy and security [here](#).*



Figure 1. Q-Park Pimlico Entrance (Image)



Figure 2. Q-Park Pimlico Location (Map)

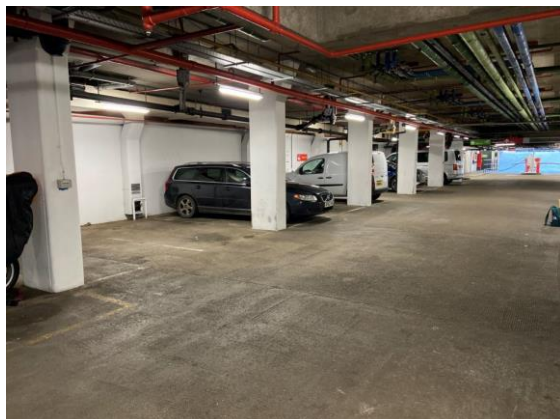


Figure 3. Logistics Hub Space (5-6 parking bays)

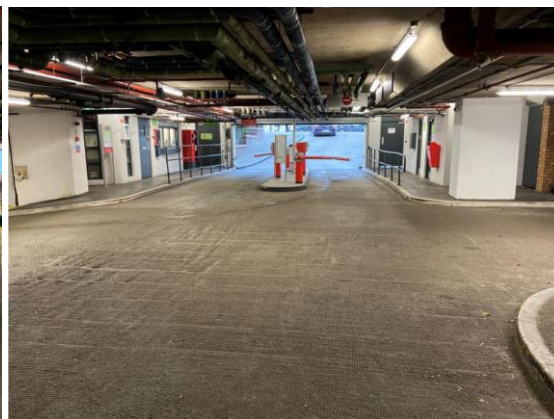


Figure 4. Internal View of Entrance

3. Your Proposal: Expectations & Key Requirements

3.1. Expectations

CRP expects the selected operator to act in accordance with the following expectations:

- to fully run the CRP/WCC funded logistics hub for a period of 6 months
- to pay for monthly electricity costs (estimated at around £273.75 per month; billed quarterly in arrears plus a £25 admin fee)
- to pay for the final (6th) month's rent (£3,399)
- to use e-cargo bikes/ walking couriers and small EV LGVs. In respect to the latter CRP and the City Council would need to consider and approve the type or model of such vehicles
- to preferably use EVs to transport goods from outside Westminster (e.g., warehouses, depots) to the CRP/WCC funded logistics hub in Westminster
- to be the point of contact for all Westminster businesses that are sending/want to send their stock via the hub
- to be clean, tidy, respectful, and follow all Q-Park and Infinium Logistics rules, including not storing prohibited items on-site (see Appendix A and B)
- to have necessary insurance to cover own goods, vehicles, and items at the logistics hub
- to regularly share all insights, learnings, and data related to the use of this CRP/WCC funded logistics hub and operations with CRP (full transparency). The data should, for example, include counts of cargo bike deliveries (and if these replaced any polluting vehicles), delivery times, pick-up and delivery postcodes, frequency of recurring deliveries, distances travelled, etc.
- to efficiently communicate with CRP and answer any queries
- to agree to CRP sharing all gathered data and outcomes with CRP partners as well as the public via case studies, content assets, and social media posts
- to agree to share your organisation's balance sheet / history of accounts for WCC to review
- to be a good ambassador for CRP's CALL project in Westminster
- We're particularly keen to hear from operators looking to start, or expand existing, last mile operations rather than operators looking to relocate current operations from an equivalent hub elsewhere.

3.2. Key Requirements

Your formal proposal should detail the following:

- Do you envisage operating from Westminster on a long-term basis? If so, would you continue using the logistics hub in Pimlico after CRP/WCC funding ends and assume any running costs for at least 1 year after this (subject to discussions at that time)?
- What positive environmental impact do you estimate to have in Westminster if you were to use this CRP/WCC funded logistics hub in [Q-Park Pimlico](#)?
- How would you operate this CRP/WCC funded logistics hub (e.g., type of items to be transported, number of parcels per day, operational hours, noise levels, proposed hub layout, etc.)?
- Why do you want to use a logistics hub in Westminster?
- Would this hub in Westminster be complimenting any of your existing operations in London?
- What do you expect from being in Westminster and why is it strategically important to your business?
- Which existing businesses do you service within specified ranges from this site? / How do you intend to onboard businesses in the area as part of the operations?
- Do you have any additional requirements to be able to use this CRP/WCC funded logistics hub (e.g., type and quantity of power sockets)?

4. Evaluation Criteria

Cross River Partnership and Westminster City Council will evaluate proposals based on how well they fit the brief (incl. key requirements) and how well we believe the service will be delivered. CRP and WCC are keen to hear from operators and these will be encouraged to provide a formal proposal, as detailed in point 5.

5. Supporting Information & Context

5.1. Logistics Hubs and Freight Operations

A logistics hub is a site that couriers use for their day-to-day deliveries as a place to receive, sort and then send deliveries to their final destination. Logistics hubs have an important role to play in promoting healthy and efficient deliveries in London. They act as a crucial step for consolidating deliveries, bulk-buying, and a place to sort deliveries, which can reduce the number of vehicle trips and congestion. This also enables deliveries to be made by cargo bike, on foot, or electric vehicle, helping to reduce harmful exposure to toxic air pollutants that are bad for our health.

The use of urban logistics hubs can help to support each of these objectives by reducing the number of vehicles needed to deliver goods and services in central London, and through the use of safer, cleaner, and more efficient modes.

For example, the [Hackney-based Amazon micromobility hub](#) and their new fleet of e-cargo bikes and walkers is estimated to directly replace thousands of traditional van trips on London's roads and reduce traffic congestion.

5.2. Logistics Hubs and E-Commerce

The impact of the coronavirus pandemic has led to people buying goods online more than they used to. The [Office for National Statistics' \(ONS\) findings](#) state that online shopping as a percentage of all retail sales peaked at nearly 38% in January 2021, having stood at 8% at the start of 2011 and 19% in February 2020. Although it has declined since 2021, online shopping remains at around 28% in the latest period (February 2022).

This increase in online orders has also contributed to a sharp rise in new warehouse construction projects. [ONS data](#) from 2021 shows that the number of UK business premises classified as transport and storage was 88% higher than in 2011 and 21% higher than in 2019. New orders for building warehouses were worth £5.6 billion in 2021; this is more than in any year since 1985.

6. Creating a Fairer Westminster

Creating a Fairer Environment is a key role of the [Fairer Westminster](#) strategy, with the need to take ambitious action on climate change, improve air quality, and encourage more sustainable and active modes of travel. WCC's Freight, Servicing and Deliveries Strategy and Air Quality Action Plan focus on the reduction of harmful exposure of pollutants for people living, visiting and working in Westminster.

6.1. WCC's Freight, Servicing and Deliveries Strategy and Action Plan 2020 – 2040

[WCC's Freight, Servicing and Deliveries Strategy](#) supports the introduction of consolidation and micro-distribution centres, in the right conditions, so that it can enable quieter deliveries and the use of low emission modes for positive air quality results in the local area. Through this project, WCC are delivering on their promise to support the establishment of micro-distribution centres by exploring land opportunities through planning in the borough that could be available for this purpose, and supporting projects that can help to get micro-logistic hub projects started, where competition law permits.

The strategy aims to create area and city-wide initiatives to minimise freight movements through macro and micro consolidation initiatives. This includes encouraging the use of environmentally friendly vehicles at these hubs, while avoiding conflict with other street users and nuisance noise for residents.

6.2. WCC's Air Quality Action Plan 2019 – 2024

[The WCC action plan](#) states that road transport is the biggest single source of pollutants within Westminster. The geographically specific nature of road-related air pollution means that transport emissions also heavily contribute to air pollution hotspots across the city.

In recent years WCC have taken strides to reduce emissions from transport where they are able to. This includes a first for the UK in retrofitting WCC's waste vehicle fleet to substantially reduce their own emissions, to introducing London's first diesel parking surcharge as a trial in the Marylebone area, which WCC have now rolled out across the city. The work in this area links into many other council policies and strategies, including WCC's Walking Strategy, ActiveWestminster Strategy, and Electric Vehicle Charging Strategy.

One of the key actions from this strategy also highlights the need to work closely with businesses and business groups to tackle emissions from deliveries and vehicle fleets by welcoming new green technology and innovation in Westminster.

7. Contact

Please submit your proposal (max. of 4 A4 pages; font size 12; appendices are accepted) to Daniella Jovanovic, Principal Policy Officer (Environment), (djovanovic@westminster.gov.uk) in a digital format via email by **5pm on 14th January 2023.**

Should you have any questions regarding CRP's CALL project or this logistics hub space, please contact CRP Senior Project Officer Isidora Rivera Vollmer (isidorariveravollmer@crossriverpartnership.org).

All information provided in the application will be treated confidential.

WCC and Infinium Logistics will sign a Tenancy at Will (TAW) shortly.

Appendix A: Prohibited Items

Prohibited items

These are items that must not be stored in Infinium Hyperlocal Property:

- A stolen vehicle (including bicycles) or a vehicle taken without its owner's permission;
- Any kind of weapon (including guns), explosives, munitions or fireworks
- Anything illegal, including any class of drug, drug paraphernalia, stolen property, or anything which you can get arrested for possessing.
- Any kind of food, drink or perishable good, including fruit, vegetables, meat, cheese;
- Anything which was (or is) alive, including animals, plants, insects, fungus, or bacteria;
- Anything which produces a strong smell, produces gas, leaks liquid, or is damp;
- Any liquid, hazardous, polluted, flammable, contaminated, radioactive, or toxic materials;
- Anything damp, mouldy, rotten, or moth-infested;
- Anything that creates noises, generates heat, may increase in size and / or burst; or
- Any cash or securities.

Appendix B: Infinium Logistics & Q-Park Rules

Infinium Logistics' handover booklet will include the following information and rules (TBC):

- Site address
- Our contact details
- Property details
 - Total space
 - Floor plan
 - Access hours
 - Site office
 - Height restrictions
 - Site rules
 - Permitted uses
- Prohibited items
- Loading and unloading
- Site features
 - Access method
 - Gate locks
 - Welfare facilities:
 - Emergency exits
 - CCTV
- Utilities
 - Electrical supply
 - Taking an Electricity Meter Reading
 - Water
- Health & Safety
 - Housekeeping
 - Site inductions
 - Accident reporting
 - Managing Noise Pollution
 - Risk Assessment
 - Considerate neighbour
- Appendices
 - Appendix A- Site induction example
 - Appendix B- Accident Report example
 - Appendix C- Risk Assessment Example